GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:7007
ANSWERED ON:18.05.2012
INTERNAL AND EXTERNAL DEBT
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Will the Minister of FINANCE be pleased to state:

(a) the total amount of outstanding debt (internal and external) on the country along with the amount of debt from America out of the total debt;

(b) the amount of annual interest being paid by India on the said debt and its percentage in the total budget allocation;

(c) whether the Government proposes to impose expenditure ceilings for mobilization of internal resources and if so,the details thereof;

(d) whether the Government proposes to penalise those involved in tax evasion, depositing black money abroad and acquiring property through corrupt means by declaring these as anti-national crimes; and

(e) if so, the details thereof and if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) The outstanding internal and external debt of the Central Government as per Finance Accounts for the year 2010-11 are as under:

(in crore)
2010-11

Internal Debt	37,80,835
External Debt#	1,57,639
Total	39,38,474

Balances are according as per book value.

Notes: The external debt as on 31/03/2011 includes 1,752 crore as outstanding debt from USA.

(b): The amount of annual interest on outstanding debts for the financial year 2010-11 as per Finance Accounts was ? 2,34,022 crore which is 19.5 per cent of budget allocation (total expenditure) of the year 2010-11. The total interest includes 50.75 crore as interest on debt from USA.

(c): Government is committed to carry on the process of fiscal consolidation vigorously. In order to adhere to the fiscal targets set in Budget and for better expenditure management, government may issue orders for strict compliance of orders issued in the previous year for enforcing 10% cut on budgetary allocations for holding seminars, workshops and conferences, ban on holding meetings and conferences at 5 star hotels, ban on purchase of vehicles except for the operational requirements of Defence Forces, Central Paramilitary Forces and security related organizations, restrictions on foreign travel and adhering to the quarterly ceilings under foreign travel expenses, ban on creation of plan and non plan posts etc.

(d) and (e): Drive against tax evasion is a continuous and ongoing process. Whenever any credible information about unaccounted income /assets, or unaccounted transactions abroad, is received, the Income Tax Department investigates such cases and brings to tax any untaxed amount. Penalty and prosecution provisions are there under the direct Tax laws for attachment of assets in India during pendency of proceedings and for recovery of tax demand. The effect of levy of taxes, penal interest, penalties, compounding fees, etc., in a case of tax evasion is appropriation of the entire unaccounted income / assts as the final amount usually exceeds 100% of such income/ assets.

As regards declaring tax evasion as anti-national crime, offences under the direct tax laws are not penal but civil offences punishable with rigorous imprisonment up to 7 years and with fine.